

*O' beautiful for spacious skies
for amber waves of grain
for purple mountains majesty
above the fruited plains
America! America!*



Budget In Brief

Fiscal Year 2003

May 23, 2002

Allegany County Board of County Commissioners

Dale R. Lewis, President

James J. Stakem

Robert M. Hutcheson

Vance C. Ishler, County Administrator



INTRODUCTION

Allegany County Government strives to provide the citizens of Allegany County efficient services of the highest quality. Although tough decisions have to be made with the fiscal limitations, our goal is to be responsive to your needs, open to new ideas and continuously improve our service.

Allegany County Elected Officials:

Board of County Commissioners

Dale R. Lewis, President
James J. Stakern
Robert M. Hutcheson

Circuit Court Judges

Gary G. Leasure, Circuit Court Judge
One Vacancy

Judges of Orphan's Court

Billie J. Gilpin
Donna F. May
Joseph D. Madden

State's Attorney - Barry R. Levine

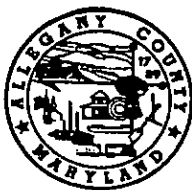
Sheriff - David A. Goad

Register of Wills - William F. Lashbaugh

Clerk of Circuit Court - Dawne Lindsey

Board of Education

Timothy C. Woodring, President
Enordo R. Arnone
Jane M. Dawson
Judith N. Thelen
Donna D. Truesdell



Vision Of Allegany County

Allegany County will be the premier community in our region to live, work, and play. To achieve this, we will be responsive to our citizens and other stakeholders through effective communication, efficient delivery of core services, management of available resources, development of new resources, and innovative utilization of staff, technology, and partnerships.

Mission Of Allegany County

The mission of Allegany County government is to provide core services and programs to improve the quality of life for its citizens and other stakeholders. The county must be a strong regional leader in promoting and facilitating commerce, economic growth, quality education, and community development. Further, we must endeavor to utilize our fiscal and human resources to develop and implement accessible, cost effective, high quality services, which must be improved and enhanced through employment of emerging technologies, methods, and partnerships.

County business must be conducted in an open, professional and ethical manner with the overall good of the community as its goal. Citizens are valued customers and as such, their concerns and input must guide our efforts and they must be treated in a timely, equitable and respectful manner.

County employees are our greatest resource. They must be treated as valued members of the organization and receive the training and support necessary to excel at their jobs.



The 2003 budget outlines county services by the following major functional category and the costs of those services:

- **General Government**
- **Public Safety**
- **Public Works**
- **Health**
- **Public Welfare**
- **Education**
- **Recreation and Culture**
- **Conservation of Natural Resources**
- **Community Development & Housing**
- **Economic Development**
- **Intergovernmental**
- **Miscellaneous**
- **Operating Transfers to Other Funds**
- **Appropriations to Other Units**
- **Special Revenue Funds**
- **Debt Service Fund**
- **Capital Projects Funds**
- **Enterprise Funds**





COUNTY PROFILE

Location:

The county is located along the Potomac River in the western portion of Maryland. At the junction of the Potomac River and Wills Creek is The Narrows which provide a natural entrance through the Appalachians. It is bordered by Pennsylvania to the north (Mason-Dixon Line) and West Virginia to the south. Allegany County is long and narrow from east to west and comprises an area of 428 square miles ranking it as 13th largest among Maryland's 23 counties.

The eastern part of the county consists of 4 mountain ranges and the western part is located in the Allegheny Plateau of the Appalachians. Cumberland is the County Seat and there are six other incorporated towns within the County that serve the citizens.

History:

Allegany County is known as a "mountain county." The original inhabitants of Maryland were the Algonquins with the Shawnees settling in the Western region near the Potomac; however, they fled with the first white settlers who came here for the hunting, trading and farming. In the summer of 1755 Colonel George Washington returned to this region as a member of General Edward Braddock's staff at Fort Cumberland to establish his first military headquarters near the banks of the Potomac. George Washington thus began his military career here and in 1794, as President, ended it here.

In 1789 the Maryland General Assembly established Allegany County which split from Washington County. The name Allegany comes from the Indian word "*ooklikhanna*" meaning "bountiful stream."

Government:

Allegany County acts as the administrative body of the state exercising those powers delegated by the state. Since becoming the second Maryland County to adopt Code Home Rule in 1974, the county government has the power to legislate any local issues with several state-imposed exceptions. Allegany County adopted a Board/Administrator form of government in 1996 with a three-member board of commissioners serving consecutive 4-year terms. Other elected officials in the county include a Sheriff, States Attorney, Register of Wills, Clerk of Circuit Court, Judges of Orphans Court, Judges of Circuit Court and the Board of Education.

The Board of Commissioners is assisted by an appointed County Administrator to manage the day to day business. Each year an independent auditor is appointed to audit the finances. County government currently employs over 500 classified, union and contract workers. To meet the county's \$100 Million annual budget, revenues come from real estate taxes, state income taxes, business taxes and grants from other levels of government to fund public education, public works, housing & community development, economic development and a wide array of mandated entitlement programs.



MAJOR GOVERNMENT FUNCTIONS_____

General Government

This encompasses the operation of some 32 functions of government including the **County Commissioners, Administrator, Circuit Court, States Attorney, Election Board, Finance & Tax, County Attorney, Human Resources, and Community Services (which encompasses Planning & Zoning, Permits, Grants & Special Projects, Housing and Animal Control) and Maintenance of Public Facilities.** General Government accounts for 9% of the expenditures of County Government at \$5.6 Million.

Judicial System

This system is governed by state law. There are three courts in the county: Circuit, District and Orphans'. No county funding is provided to the District Court which replaced the old Trial Magistrates System. We are responsible for providing approximately \$264,000 in salaries, operating and capital costs for the operation of **Circuit Court.** Allegany County is responsible for the costs (\$34,909) of the **Orphan's Court System** whose three judges are elected every 4 years. We also provide matching funds to the grant money received for the operation of the **Circuit Court Masters Program (\$119,748).** In July 2000 we began the **Family Law Master Program.** A designated attorney (master) hears all uncontested divorce or custody cases, emergency hearings, all Department of Social Services juvenile cases. The department operates on \$203,701 with a hearing officer and one support staff to make recommendations to the Circuit Court on family law matters. The county funds most of the cost of the law library, as well as the Petit and Grand Juries.

The **State's Attorney** is responsible for prosecution of state criminal cases following investigation and arrest of the accused. The State's Attorney's operation is funded with over \$762,028 in county monies. The **Child Support Division** is administered by the **State's Attorney** and effective July 1, 2002 will be fully funded by the State. This unit handles all phases of support for children: paternity, setting support amounts and the enforcement of support orders. In the FY2003 budget, a new grant to fund the **Victim-Witness Program** will begin on July 1, 2002 and will be paid by a State grant.

All Judicial costs exceed \$1.7 million of the General Government costs.

Public Safety

The **Sheriff** serves as an officer of the Circuit Court, chief county peace officer and custodial officer of the detention center .

Road Patrol - Under his direct supervision there are 27 employees (19 sworn officers). The Sheriff's Department administers several grants which help provide alternative programs to incarceration, additional community police presence, new radar guns, redeployment of police on the street and additional personnel. Total cost of operation is \$1.5 Million.



C3I Unit, created as a cooperative effort several years ago is partially funded by the county. Along with support from the state and municipal police they investigate criminal cases.

Detention Center – In April 2002, we opened doors of the new Detention Facility which will house 190 inmates. Various grant programs have been implemented which counsel inmates on substance abuse, provide community service and work crew programs. The cost of operating the Detention Center will be \$5.0 Million, up from \$4.3 Million last year.

Fire - The County provides funding of over \$850,933 to help with the operation of each of the 23 fire and rescue organizations in Allegany County.

Emergency Management – Newly named **Emergency Services & Communications**, this department was previously known as Civil Defense or Emergency Management. This agency has been integral in the recovery from the recent floods. In addition, they are responsible for the **911 Emergency System**. Allegany County was one of the first rural counties in Maryland to implement this system back in 1979. We have continuously upgraded the system to better serve the county. Emergency Management provides a Director, Assistant Director, clerical and custodial employees as well as 11 dispatchers. Approximately \$901,000 is used for this operation. The total of all Public Safety costs: \$9.6 Million

Public Works

This department has over 160 employees covering several divisions. There are 5 professional engineers on staff. The **Utilities Division** operates with 23 employees and several contract workers depending on the projects to be completed and has jurisdiction over all water and sewer matters within the county with the exception of incorporated municipalities and LaVale. Through the sanitary commission there are 14 sanitary sub-districts operating in the county and several water distribution systems serving approximately 10,000 customers. The **Facilities Division** is responsible for the maintenance of numerous county properties as well as the jail building, court house, emergency management, nursing home, libraries, office complex, etc. Approximately 18 employees are assigned to this department. The **Roads Division** is made up of a division chief, roads management staff and support personnel and 60 road workers who are responsible for constructing, repairing and maintaining 550 miles of road and 100 bridges. The **Engineering Division** develops and administers in-house and contract construction projects. This 16 member professional staff assists with many economic development expansion projects, highway and utility projects. The **Allegany Transit Authority** employs 22 full-time and several part-time employees to operate the County's bus and van transit system. The department also operates the County's solid waste refuse disposal site and recycling programs. Public Works has a combined operating budget of over \$17 Million and oversees the design and construction of an additional \$5-10 Million in capital projects each year.



Health

The **Allegany County Health Department** is a local office of the State Health Department with the mission to promote health, prevent disease and disabilities for Allegany County residents. It will administer 43 grants and programs and employ over 336 employees for a total combined budget of \$14.5 Million. The County will fund \$973,719 for programs with another \$299,000 toward the maintenance and operation of the facility on Willow Brook Road. The ACHD places emphasis on nutrition and supplementation (WIC). It will expand mental health services for children in 16 schools and promote immunization, education and health evaluation through school nurses. ACHD promotes Healthy Start for pregnant women, protects the community from spread of communicable diseases. The department serves as enforcement agent for monitoring/regulating inspections of food service facilities. It inspects well and public water systems. ACHD is engaged in community partnerships such as Cigarette Restitution Fund Initiative, colorectal cancer prevention and control of tobacco use in the county.

Public Welfare

County appropriations total \$1.8 Million. The **Alltrans/Medtrans** operations account for approximately \$741,000 in funds to provide needed transportation for the elderly and handicapped on medical assistance. Another \$683,400 is provided to the **Human Resource Development Commission** toward its \$6 million budget which offers 15 programs throughout Allegany County aimed at providing essential services to 12,000 poor and elderly residents. They operate with 150 employees and 300 volunteers. In addition, they oversee the Head Start, Energy Assistance, Homeless Services and Low Income Housing Programs. The **Family Crisis Resource Center** receives \$70,000 to provide emergency shelter and other services for victims of domestic crime. The Commissioners also provide funds to assist the **Emergency Shelter Program, Child Abuse Program and Childrens Council.**

Education

The County will fund \$31,032,500 for education. The **Board of Education** will receive \$25,530,000 in County funding in 2003. The five member elected Board determines local educational policy with the appointed Superintendent serving as Executive Officer. The public school system employs 1,291 serving 10,425 students. In addition to the \$25.0 Million, the county shares funding with the state for capital school construction projects and improvements. The debt service on these projects total \$1,911,089 for 2003. **Allegany College** provides both credit and non-credit continuing higher education opportunities to area residents. Expected fall enrollment for full credit students will be 1,367. The County also support Allegany College by renting the Gateway Center at \$1 per year for the Culinary Arts program They will receive \$5,475,000 in county funds. A small allocation to the **Maryland School for the Blind** is provided.



Recreation and Culture

Over \$1.4 Million is allocated for this category with over 51% designated for the **Allegany County Library System** this year. In addition to the library on Washington Street, there are branches in Frostburg, Georges Creek, LaVale, South Cumberland and Westernport. The system operates a bookmobile headquarters in LaVale. The 7-member Board of Library Trustees set policy carried out by the Executive Director, who is responsible for the overall operation of the libraries. **Program Open Space** Projects account for \$404,800 in funds to provide to the county and various communities ball fields, playgrounds, tennis courts and parks to areas that may have never received such facilities without this state program. The county also provides \$245,000 for the annual **County Fair** and for maintenance of the fairgrounds along with funding for the **Arts Council, Historic Society, Ag Expo and Allegany County Homecoming**.

Conservation of Natural Resources

A total of \$243,601 will be allocated to this category with 43% to **Cooperative Extension** and 57% to **Soil Conservation**. The Agricultural Extension Agent (Cooperative Extension) will receive \$104,205 to help fund their operating costs to bring 5 programs to county residents which include agriculture & natural resources, home economics, 4-H and youth, community resource development and marine advisory. The remaining \$139,396 will fund Soil Conservation salaries of employees who assist the county in sediment erosion control, storm water management and the permitting process.

Economic Development

This department is the official economic development agency of county government. The members of its staff are Allegany County employees and the department is funded by the County Commissioners and the private sector. The department has 4 primary areas of responsibility: Marketing, Asset Administration, Program Administration and Financial Packaging. Just over \$450,000 in the General Fund goes to this department. The **Scenic Railroad** will receive \$170,000 with \$246,643 going to the **Visitors Bureau**. Funding is also provided for the **Toll House Maintenance and Thrasher Museum**. **Economic Development** is also responsible for the Revolving Building Fund. (See "Special Revenue Funds" below).

Total Economic Development & Opportunity: \$975,500

Intergovernmental

This includes small appropriations (\$28,704) to municipalities.

Miscellaneous

This includes contingency funds along with insurance costs and employee benefits.

Total Miscellaneous: \$925,944



Operation Transfers to Other Funds

Money to be transferred to various funds to provide local match or county appropriations to fund various programs. For example, funds to **Highway Fund, Transit, Housing or Debt Service**. Total transfers: \$6.7 million

Special Revenue Funds

This represents dedicated revenue that must be spent for its specific, intended purpose. Over \$6.2 Million of this is the **Highway Fund**. Additional examples of special revenue are: **Coal Haul, Transit, Office of Children, Youth & Families, CDBG, Housing & Community Development Fund** and the **Revolving Building Fund**. Funding is received by the county and must be used specifically for these activities. This year the Revolving Building Fund will receive \$1.4 Million from rents to be used primarily for operating expenditures, North Branch Industrial Building, Gateway Center Operating and Debt Service payment. County Government has taken over the operation of the Office of Children, Youth & Families funded by federal and state revenue in the amount of \$2.2 Million.

Debt Service Fund

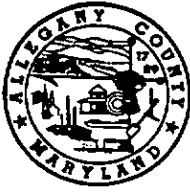
This is a collection of interest and principal payments on county bond issues and other debt incurred by the County (for example state MILA loans, etc.) The General Fund portion is \$4,892,926 with another \$1.0 Million from the Revolving Building Fund. Basically, this represents "what we owe on what we borrowed." Allegany County maintains a Baa1 rating by Moody's Investors Service. Moody's Investor Service upgraded Allegany County from Baa2 to Baa1 on February 24, 2000. Standard & Poor's rating is A-. Total Debt Service fund Revenue: \$6.0 Million

Capital Projects Fund

This category covers all major capital improvements funded by the County. There are over 30 projects the County is involved in within the 5 year Capital Improvement Program. These include projects of the Board of Education, Allegany College, water, sewer & infrastructure projects and libraries. Most significant has been the County's Correctional Facility replacing the Jail in this fiscal year 2002. The county borrowed \$15.2 Million in the form of General Obligation Bonds in 1998. While the county made the commitment of no bond borrowing from 1998 through 2001, a number of projects continue to be undertaken with internal financing, state grants and federal grants. The County has not borrowed any additional funds since 1998. In September 2001 the County refinanced \$9.2 million of existing debt in order to take advantage of lower interest rates. No new debt was issued at that time.

Enterprise Funds

These are funds set up to be self-supporting and accounted for as a private business. The **Allegany County Nursing Home, Water District Fund and Sanitary Districts Fund** are examples. They pay for their capital and operating costs through user fees. For example, the nursing home utilizes patient fees to cover its costs making it relatively self-sufficient.



Allegany County, Maryland

Miscellaneous Statistics

| | |
|--------------------------------|-----------------------------|
| Date of Incorporation: | December 25, 1789 |
| Form of Government: | Board/Administrator |
| County Seat: | Cumberland |
| Area: | 428 square miles |
| County Roads: | 550 miles |
| Number of Registered Voters: | 41,517 |
| 2000 Census Population: | 74,930 |
| Number of Full Time Employees: | 556 (Full Time Equivalents) |

Allegany County Population by Census Year

| | <u>Total</u> | <u>Incorporated Areas</u> | <u>Unincorporated Areas</u> |
|------|---------------------|----------------------------------|------------------------------------|
| 1950 | 89,556 | 52,679 | 36,877 |
| 1960 | 84,169 | 47,828 | 36,341 |
| 1970 | 84,044 | 43,541 | 40,503 |
| 1980 | 80,548 | 39,321 | 41,227 |
| 1990 | 74,946 | 36,645 | 38,301 |
| 2000 | 74,930 | 33,731 | 41,199 |

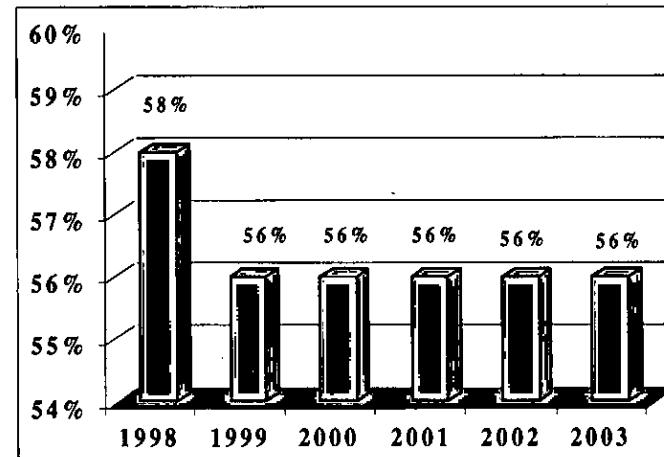


Primary General Fund Revenue Rates

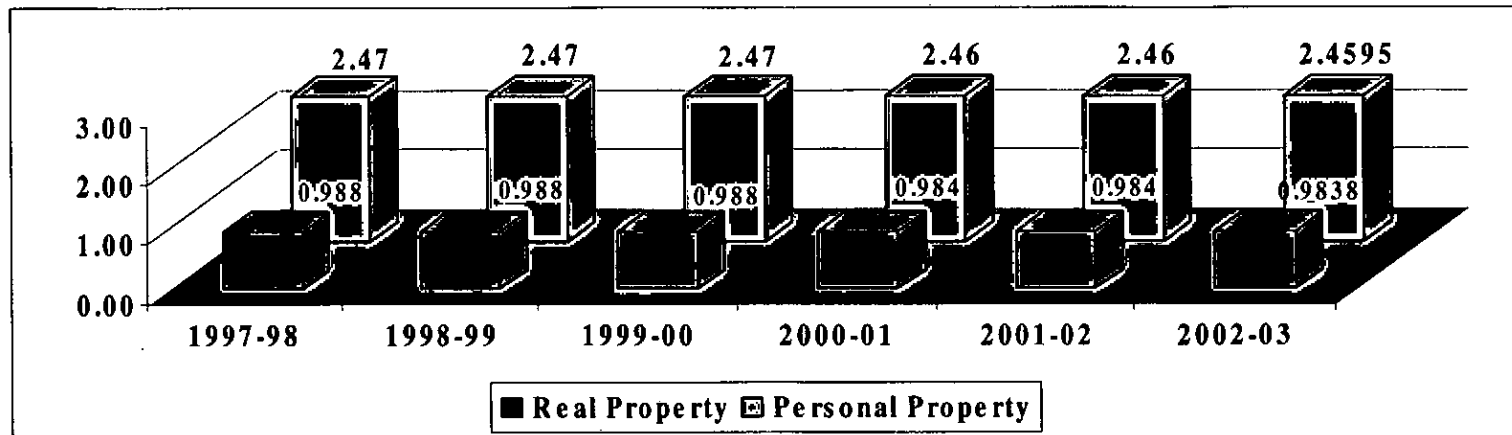
The Board Of County Commissioners Is Providing The Following Information To Assist
The Taxpayers In Better Understanding Where County Tax Revenue Comes From

| | |
|----------------------------|-----------------------------------|
| Real Property Taxes | \$0.9838 Per \$100 Assessed Value |
| Personal Property Taxes | \$2.4595 Per \$100 Assessed Value |
| Income Taxes | 56% |
| Hotel/Motel Tax | 5.0% |
| Admissions & Amusement Tax | 7.5% |
| Trailer Tax | 15% Of Gross Rent |
| County 911 Fee | \$0.50 Per Month |
| Transfer Tax | 0.2% |
| Recordation Tax | \$2.20 Per \$500 |
| Coal Tax | \$0.30 Per Ton Mined - Total |
| | \$0.20 General Fund |
| | \$0.09 Coal Haul Road Fund |
| | \$0.01 Coal Towns |
| TV Franchise Fee | 2% to 5% Depending On Locality |

Allegany County Piggyback Tax Rate By Calendar Year



Allegany County Property Tax Rates (Non-Municipal Areas)



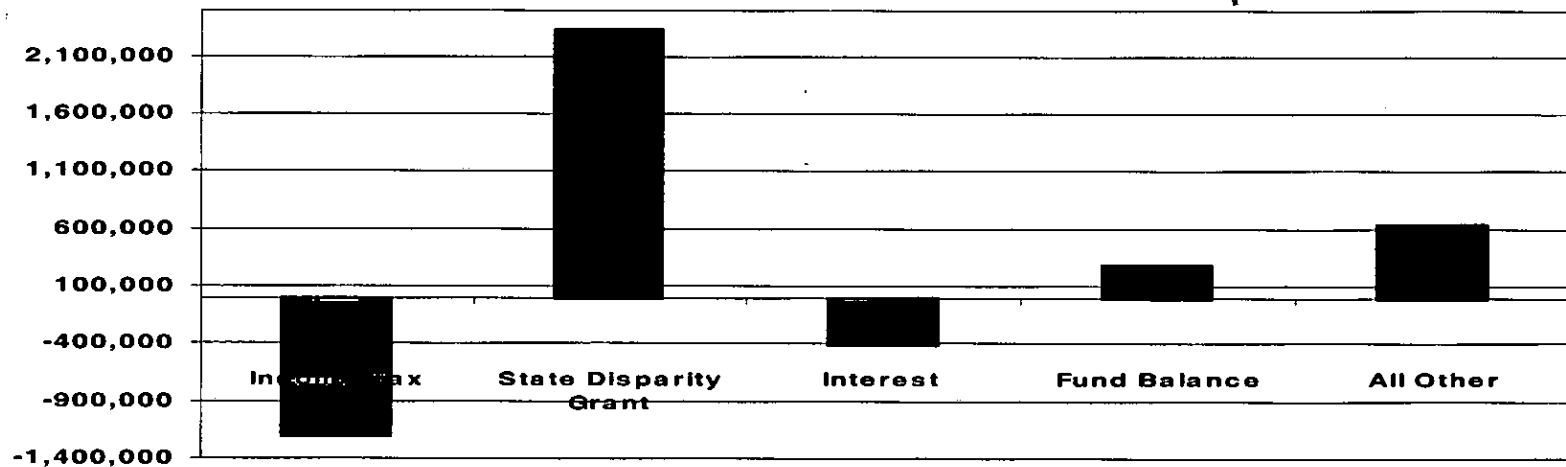
Note: 1996 - 2000 Real Property Rates Restated To Full Cash Value Assessment
Tax Rate Per \$100 Assessed Value



FY2003 General Fund Budget Revenue Comparison

| | <u>FY 2002 Original</u> | <u>FY 2003 Adopted</u> | <u>Difference</u> | <u>Percentage Difference</u> |
|--------------------------------------|-----------------------------|----------------------------|--------------------|----------------------------------|
| Local Property Taxes | \$26,379,260 | \$26,579,186 | \$199,926 | 0.8% |
| Local Income Taxes | 18,500,000 | 17,300,000 | -1,200,000 | -6.5% |
| Other Local Taxes | 1,465,000 | 1,497,000 | 32,000 | 2.2% |
| Licenses & Permits | 510,300 | 522,300 | 12,000 | 2.4% |
| State Disparity Grant | 5,264,420 | 7,590,374 | 2,325,954 | 44.2% |
| Other Intergovernmental | 2,800,255 | 2,518,728 | -281,527 | -10.1% |
| Service Charges | 1,927,904 | 2,388,975 | 461,071 | 23.9% |
| Fines & Forfeitures | 25,600 | 25,600 | 0 | 0.0% |
| Interest | 888,668 | 477,256 | -411,412 | -46.3% |
| Rents | 151,000 | 215,610 | 64,610 | 42.8% |
| Miscellaneous | 189,439 | 102,700 | -86,739 | -45.8% |
| Transfers In | 953,804 | 1,190,228 | 236,424 | 24.8% |
| Total Revenue | 59,055,650 | 60,407,957 | 1,352,307 | 2.3% |
| Unexpended Balance Prior Year | 1,608,262 | 1,886,196 | 277,934 | 17.3% |
| Total Sources | \$60,663,912 | \$62,294,153 | \$1,630,241 | 2.7% |

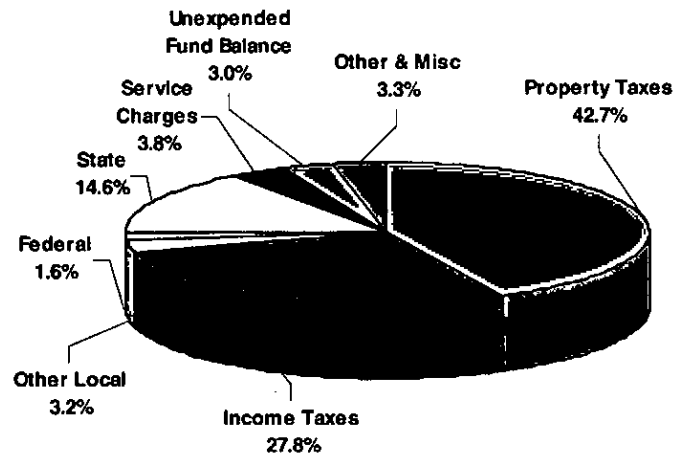
Revenue Changes



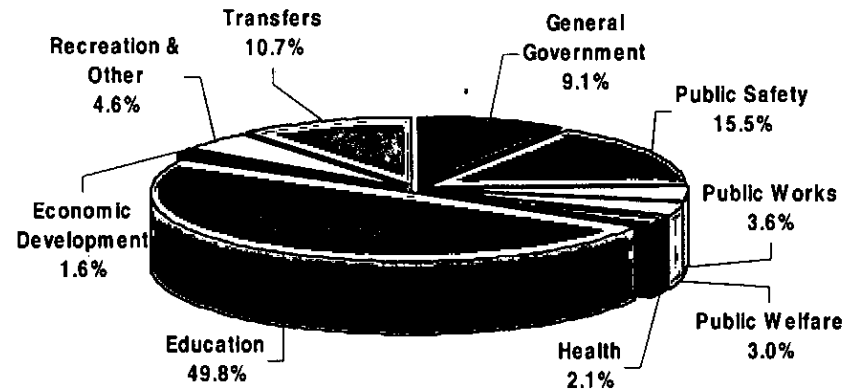


General Fund Revenue & Expenditures For Fiscal Year 2003

FY 2003 Revenues



FY 2003 Expenditures

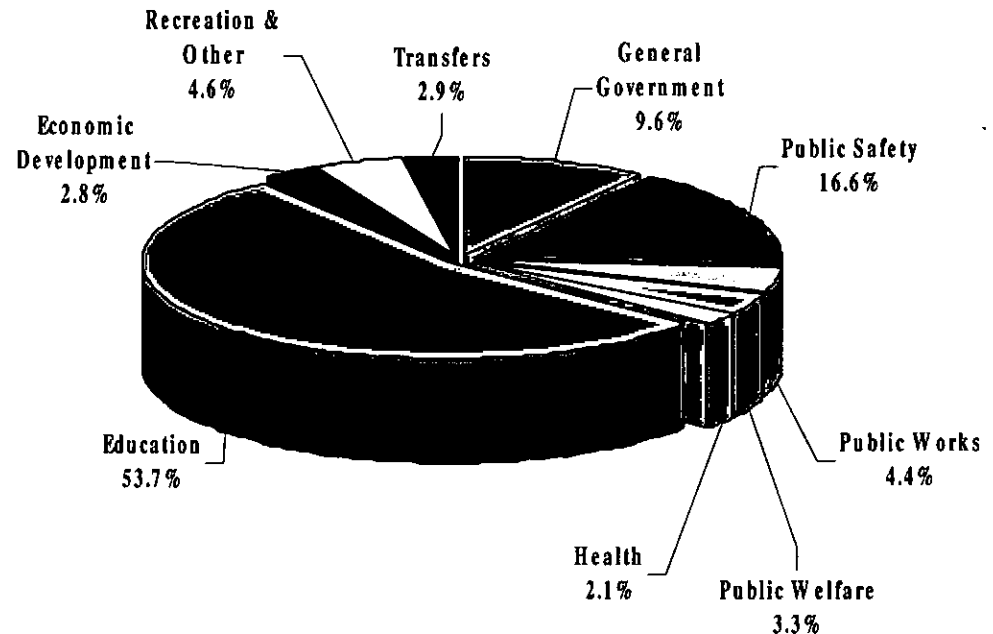


Note: Revenue & Expenditures Equal \$62,294,153



How Your County Taxes Are Expended

| | Fiscal Year 2003 | % Of Total |
|--------------------------------------------------|------------------------|---------------|
| General Government | \$5,975,622 | 9.6% |
| Public Safety | 10,329,303 | 16.6% |
| Public Works | 2,743,442 | 4.4% |
| Public Welfare | 2,036,603 | 3.3% |
| Health | 1,330,388 | 2.1% |
| Education | 33,473,051 | 53.7% |
| Economic Development | 1,721,732 | 2.8% |
| Recreation, Culture, Miscellaneous, and Other | 2,877,778 | 4.6% |
| Transfers | 1,806,234 | 2.9% |
| Total Operating | <u>\$62,294,153</u> | <u>100.0%</u> |



Note: Debt Service Payments Are Included In Each Category Area

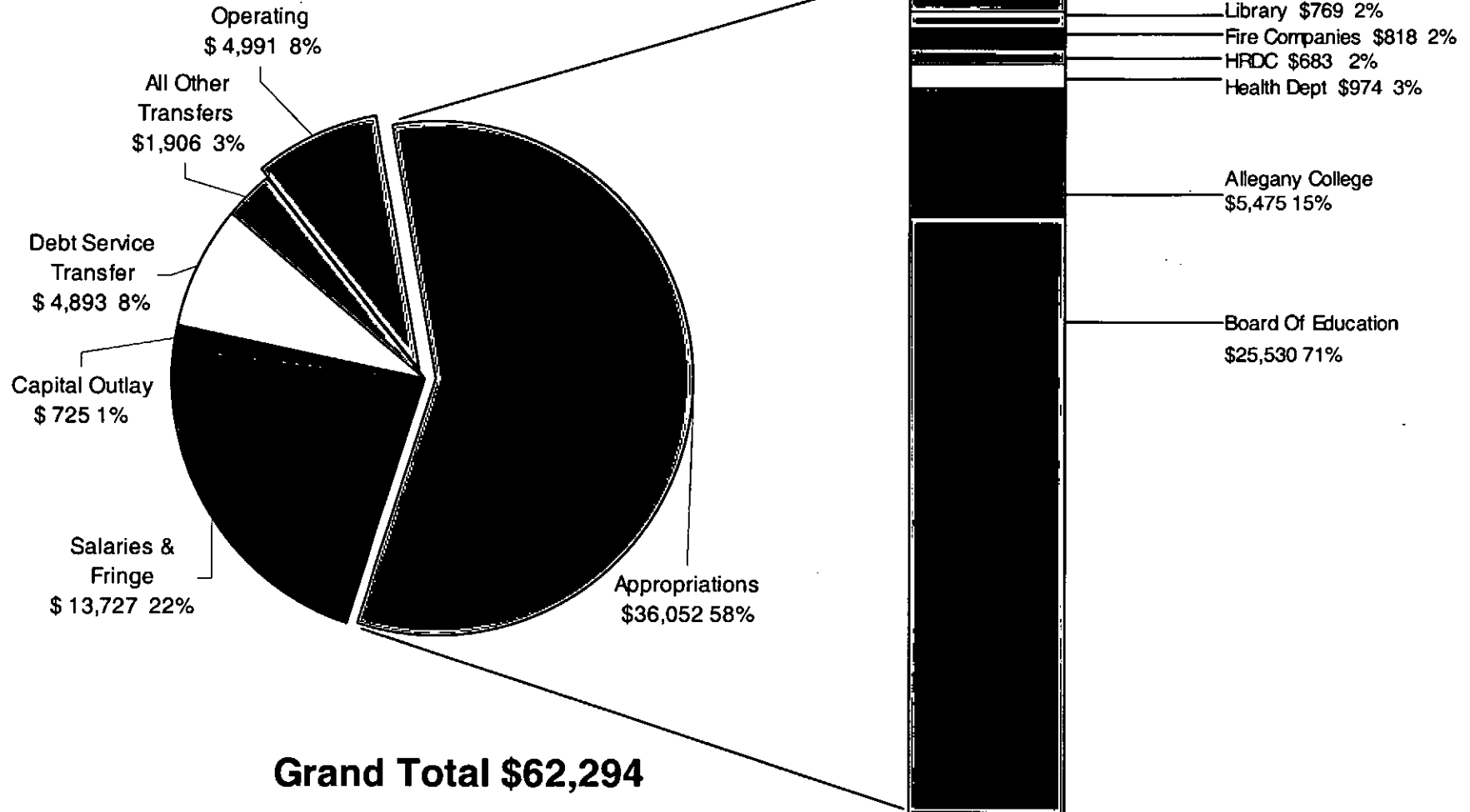


FY2003 General Fund Budget Expenditure Comparison

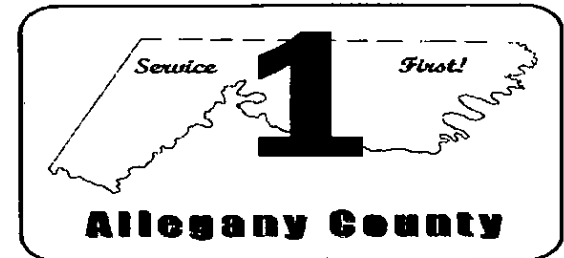
| | <u>FY 2002 Original</u> | <u>FY 2003 Adopted</u> | <u>Difference</u> | <u>Percentage Difference</u> |
|-----------------------------------|-----------------------------|----------------------------|--------------------|----------------------------------|
| General Government | \$5,530,029 | \$5,641,848 | \$111,819 | 2.0% |
| Public Safety | 8,655,939 | 9,628,023 | 972,084 | 11.2% |
| Public Works | 2,025,831 | 2,268,915 | 243,084 | 12.0% |
| Health | 1,248,132 | 1,330,388 | 82,256 | 6.6% |
| Public Welfare | 1,947,290 | 1,849,143 | -98,147 | -5.0% |
| Education | 30,305,500 | 31,032,000 | 726,500 | 2.4% |
| Recreation & Culture | 1,421,429 | 1,483,467 | 62,038 | 4.4% |
| Conservation Of Natural Resources | 211,654 | 243,601 | 31,947 | 15.1% |
| Urban Development & Housing | 179,842 | 187,460 | 7,618 | 4.2% |
| Economic Development | 987,580 | 975,500 | -12,080 | -1.2% |
| Intergovernmental | 28,704 | 28,704 | 0 | 0.0% |
| Miscellaneous | 1,072,083 | 925,944 | -146,139 | -13.6% |
| Subtotal | <u>\$53,614,013</u> | <u>\$55,594,993</u> | <u>\$1,980,980</u> | <u>3.7%</u> |
| <u>Transfers:</u> | | | | |
| Highway Fund | 1,604,330 | 1,454,330 | -150,000 | -9.3% |
| Transit Fund | 124,705 | 108,438 | -16,267 | -13.0% |
| Housing Fund | 173,725 | 208,958 | 35,233 | 20.3% |
| Revolving Building Fund | 31,965 | 16,000 | -15,965 | -49.9% |
| Narcotic Task Force | 16,811 | 18,508 | 1,697 | 10.1% |
| Debt Service Fund | <u>5,098,363</u> | <u>4,892,926</u> | <u>-205,437</u> | <u>-4.0%</u> |
| Total Transfers To Other Funds | <u>\$7,049,899</u> | <u>\$6,699,160</u> | <u>-\$350,739</u> | <u>-5.0%</u> |
| Total General Fund Appropriations | <u>\$60,663,912</u> | <u>\$62,294,153</u> | <u>\$1,630,241</u> | <u>2.7%</u> |

Allegany County, Maryland

Fiscal Year 2003 General Fund Budget In Thousands



Allegany County
General Fund FY 2003 Budget
Services Funded By Allegany County Government
Not Provided by Municipal Government



| Service | Dollars |
|----------------------------------------------|---------------------|
| Board Of Education | \$25,556,500 |
| Allegany College | 5,475,000 |
| Detention Center | 5,191,279 |
| Debt Service On Services | 4,084,625 |
| Health Department | 1,310,388 |
| 911 | 772,890 |
| Allegany County Library | 769,000 |
| State's Attorney | 762,028 |
| HRDC (Sr Citizen Centers) | 683,400 |
| Circuit Court | 515,750 |
| Economic Development | 450,007 |
| Election Office | 430,086 |
| Animal Control | 300,986 |
| Airport | 250,000 |
| Visitor's Bureau | 246,643 |
| Housing | 208,958 |
| Family Law Master | 203,701 |
| Solid Waste Recycling | 188,472 |
| Soil Conservation | 139,396 |
| Emergency Management | 128,283 |
| Circuit Court Master Program | 119,748 |
| Alternative Sentencing Program | 119,606 |
| Transit Operation | 108,438 |
| Agricultural Extension Agent | 104,205 |
| Liquor Board | 103,578 |
| Haz Mat | 73,263 |
| Home Detention | 70,131 |
| Orphan's Court | 34,909 |
| Total 28 Services For 77.7% Of Budget | \$48,401,270 |
| Total General Fund Budget | \$62,294,153 |

| Tax Differential By Municipality | |
|----------------------------------|------------------|
| <u>Municipality:</u> | |
| Barton | \$3,351 |
| Cumberland | 573,072 |
| Frostburg | 166,549 |
| Lonaconing | 12,255 |
| Luke | 143,525 |
| Midland | 2,781 |
| Westernport | 22,666 |
| Total | \$924,199 |

Note: Services About Represent Primary Services And Is Not All-Inclusive

How Your Property Taxes Are Calculated



| | |
|--------------------------------------------|------------------------------|
| Assessed Property Value | \$100,000 |
| Divided By \$100 Increments | 100 ^a |
| Multiplied By The Combined Tax Rate | <u>\$1.0678 ^b</u> |
| Total Property Taxes Due | \$1,068 |
| Less: 1% Property Tax Discount | <u>(10) ^c</u> |
| Total Taxes Paid Less Discount | \$1,058 |

^a For State And County real property tax purposes, real property is valued at market or "full cash value." Effective as of October 2000, real property is assessed at 100% of its cash value. All property is physically inspected once every three years and any increase in full cash value arising from such inspections is phased in over the ensuing three taxable years in equal installments by the Maryland Assessment and Taxation Office.

^b Combined tax rate is broken down into \$0.9838 and \$0.0840 respectively for County and State

^c Allegany County offers a 1% early payment discount for full year -taxes paid in July or August. No discount is offered by the State on State property taxes.

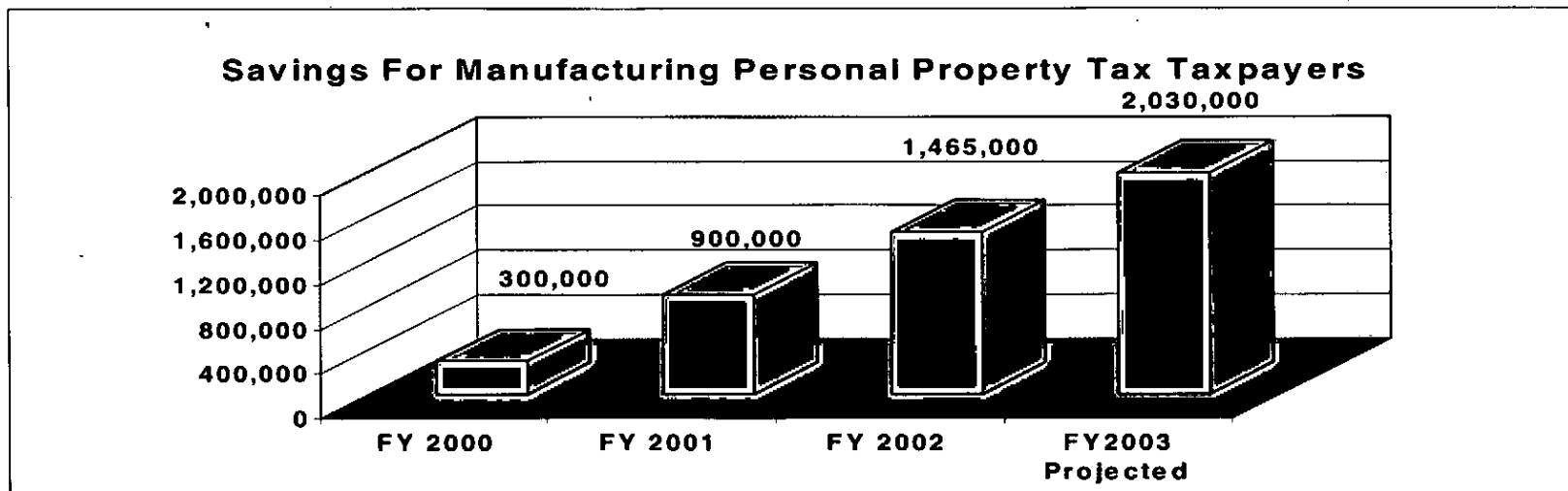
Note: The Above Example Is For Non-Municipal Properties And Properties In Non-Special Taxing Areas



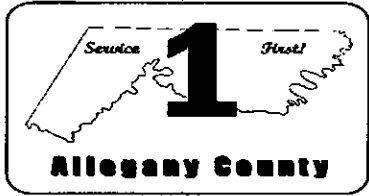
Allegany County Assessable Property Bases

| <u>Municipality</u> | <u>2002 Assessable Base</u> | <u>2003 Assessable Base</u> | <u>2003 Tax Differential</u> | <u>FY2003 Tax Rate</u> |
|---------------------|-----------------------------|-----------------------------|------------------------------|------------------------|
| Barton | \$8,841,958 | \$9,029,107 | \$0.0318 | \$0.9520 |
| Cumberland | 613,397,106 | 619,119,229 | 0.0000 * | \$0.9838 |
| Frostburg | 201,887,638 | 206,700,924 | 0.0710 | \$0.9128 |
| Lonaconing | 20,951,777 | 21,261,756 | 0.0494 | \$0.9344 |
| Luke | 224,657,592 | 144,357,964 | 0.0539 | \$0.9299 |
| Midland | 8,132,626 | 8,063,185 | 0.0318 | \$0.9520 |
| Westernport | 42,781,914 | 42,649,150 | 0.0494 | \$0.9344 |
| Unincorporated | <u>1,530,786,970</u> | <u>1,577,915,205</u> | 0.0000 | \$0.9838 |
| Total | \$2,651,437,581 | \$2,629,096,520 | | |

*Note: City Of Cumberland Will Receive An Estimated Tax Rebate Of \$573,072 In Lieu Of A Tax Differential



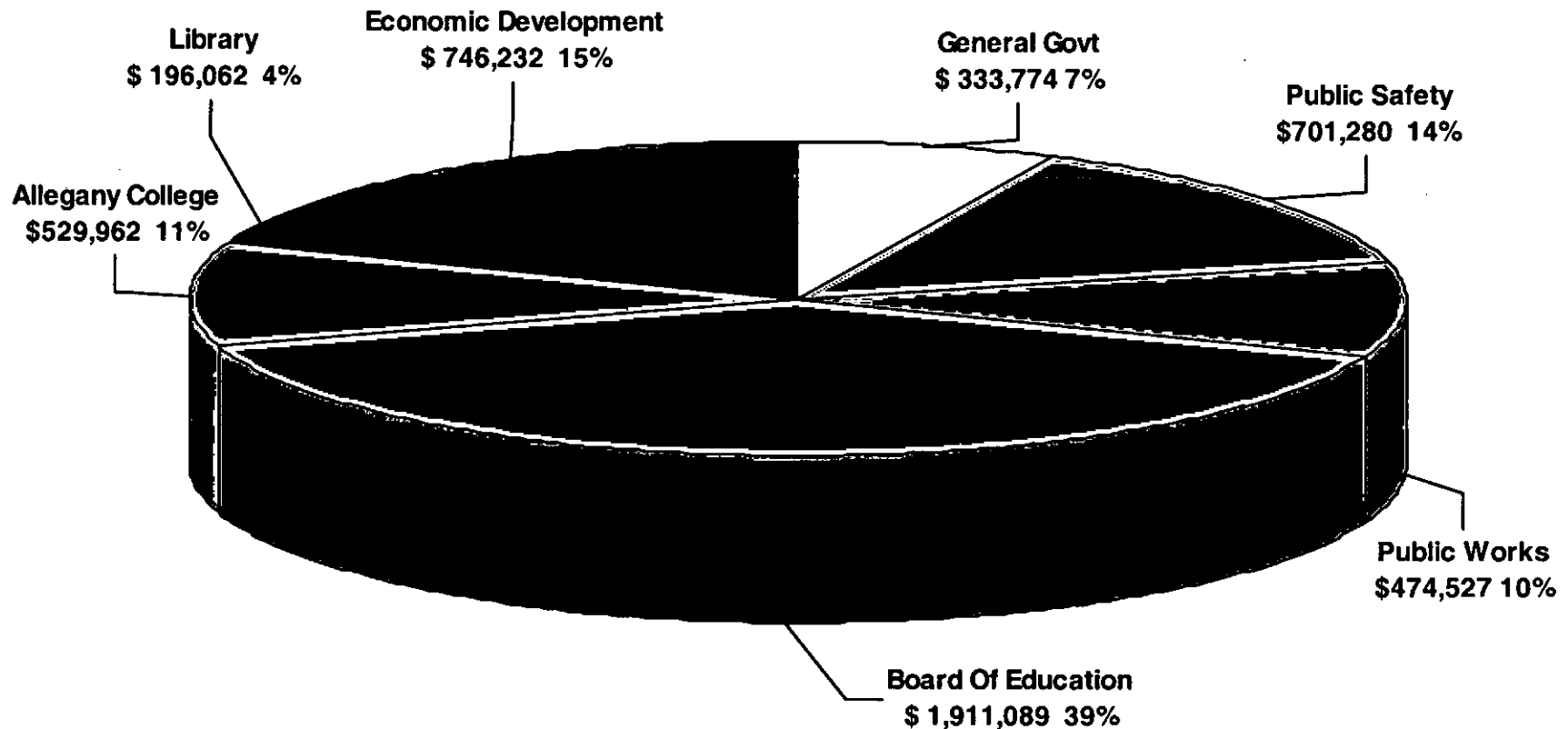
As part of a strategy to promote economic development, Allegany County has completed a policy to eliminate manufacturer's personal property tax. In fiscal years 2000 through 2003, 25% of the assessed value of the property was exempted from taxation for a 100% grand total exemption. Allegany County was one of five counties within the State of Maryland that taxes manufacturer's personal property. A total of \$4.7 million will be saved over four years by manufacturing personal property taxpayers. This is a cash loss to Allegany County government.



Allegany County, Maryland

General Fund Debt Service Transfer

FY 2003 Budget



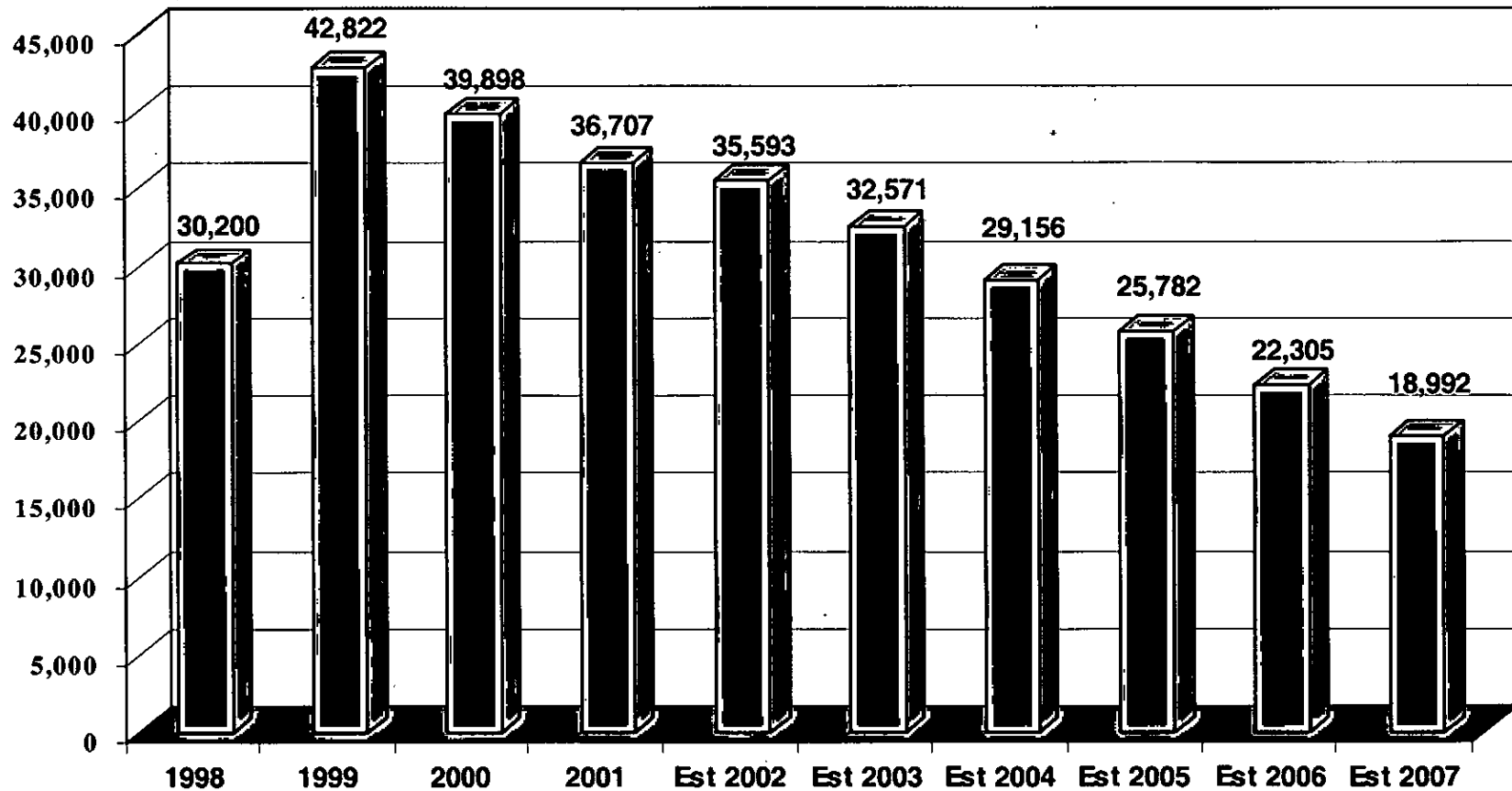
Total Transfer \$4,892,926



Allegany County, Maryland

Existing General Obligation Debt

(Dollars in Thousands)

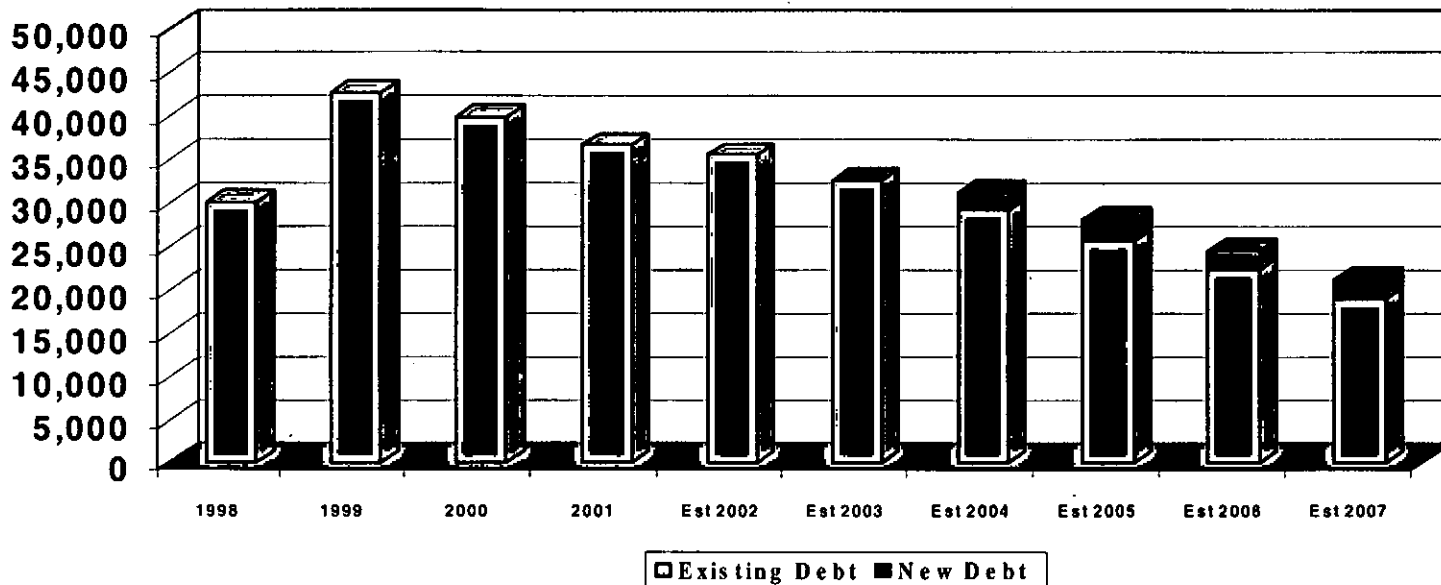




Allegany County, Maryland

Existing & Proposed General Obligation Debt

(Dollars in Thousands)



| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Existing | 30,200 | 42,822 | 39,898 | 36,707 | 35,593 | 32,571 | 29,156 | 25,782 | 22,305 | 18,992 |
| New | | | | | | 34 | 2,039 | 2,497 | 2,372 | 2,240 |
| Total | 30,200 | 42,822 | 39,898 | 36,707 | 35,593 | 32,605 | 31,195 | 28,279 | 24,677 | 21,232 |

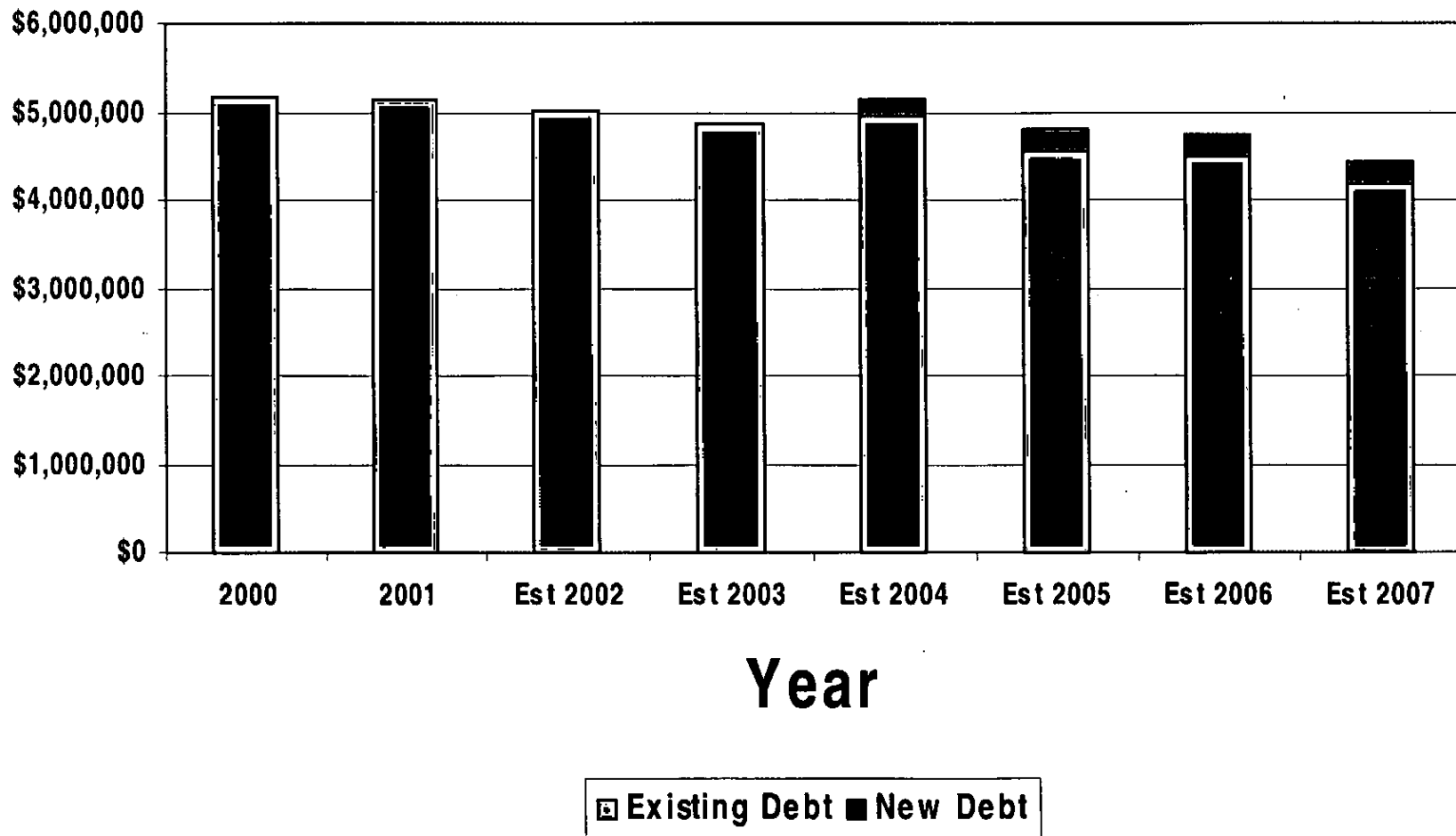
Debt supported by property taxes and other general government revenues

Fiscal Year 2002 Estimated, Fiscal Years 2003- 2007 Projected

Prepared By: Allegany County Finance Office



General Fund Estimated Debt Service Payments





Allegany County

Position Allocation Table - F.Y. 2003

| DEPARTMENT | 2002 AUTHORIZED POSITIONS | CHANGE IN POSITIONS | TOTAL 2003 | DEPARTMENT | 2002 AUTHORIZED POSITIONS | CHANGE IN POSITIONS | TOTAL 2003 |
|------------------------------------------------------|---------------------------------|------------------------|---------------|-----------------------------------------|---------------------------------|------------------------|---------------|
| COUNTY COMMISSIONERS | 3.0 | | 3.0 | DJJ CRISIS INTERVENTION | 0.5 | | 0.5 |
| COMMISSIONERS STAFF & OFFICE | 2.0 | | 2.0 | DJJ JUVENILE SERVICES GRANT | 0.5 | | 0.5 |
| CIRCUIT COURT MASTERS PROGRAM | 3.0 | (0.5) | 2.5 | ALTERNATIVE SENTENCING PROGRAM | 2.0 | | 2.0 |
| CIRCUIT COURT | 5.5 | (0.5) | 5.0 | LIQUOR CONTROL BOARD | 4.0 | | 4.0 |
| ORPHAN'S COURT | 3.0 | | 3.0 | CRIMINAL JUSTICE TREATMENT PROGRAM | 0.5 | | 0.5 |
| FAMILY LAW MASTER | 3.0 | (1.0) | 2.0 | HOME DETENTION GRANT | 1.0 | | 1.0 |
| STATES ATTORNEY | 11.0 | 2.0 | 13.0 | EMERGENCY MANAGEMENT DEPARTMENT | 1.9 | | 1.9 |
| CHILD SUPPORT DIVISION | 5.0 | (5.0) | 0.0 | ANIMAL CONTROL OFFICE | 3.0 | | 3.0 |
| VICTIM WITNESS COORDINATOR | 0.6 | 0.4 | 1.0 | ANIMAL SHELTER | 3.0 | | 3.0 |
| DOMESTIC VIOLENCE PROS. | 2.8 | (2.8) | 0.0 | 911 | 15.1 | | 15.1 |
| PETIT JURY | 1.0 | | 1.0 | HAZARDOUS MATERIAL OPERATIONS | 0.2 | | 0.2 |
| DOMESTIC VIOLENCE PROT. GRANT | 1.0 | | 1.0 | BUILDING CODE INSPECTOR | 1.2 | 1.0 | 2.2 |
| ADMINISTRATOR | 2.0 | | 2.0 | TRANSPORTATION PLANNING | 1.5 | | 1.5 |
| ELECTIONS OFFICE | 7.5 | | 7.5 | ENGINEERING | 13.6 | 1.0 | 14.6 |
| FINANCE DEPARTMENT | 9.3 | | 9.3 | SOLID WASTE DISPOSAL | 3.5 | | 3.5 |
| TAX & UTILITY COLLECTION | 7.5 | | 7.5 | SOLID WASTE RECYCLING PROGRAM | 2.5 | (0.5) | 2.0 |
| COUNTY ATTORNEY | 3.2 | | 3.2 | MAINTENANCE-HEALTH CENTER | 1.3 | | 1.3 |
| HUMAN RESOURCES DEPARTMENT | 2.1 | | 2.1 | HEALTH DEPARTMENT | 2.0 | | 2.0 |
| CIVIL SERVICE COMMISSION | 2.5 | | 2.5 | MEDTRANS | 5.9 | | 5.9 |
| EMPLOYEE RECOGNITION | 0.5 | | 0.5 | ALLTRANS | 6.7 | | 6.7 |
| PLANNING | 2.4 | | 2.4 | ALLEGANY COUNTY FAIR | 0.8 | 0.2 | 1.0 |
| LAND USE PLANNING | 1.0 | | 1.0 | FAIRGROUNDS MAINTENANCE | 1.0 | (0.5) | 0.5 |
| PERMITS & ENFORCEMENT | 5.3 | (1.0) | 4.3 | SOIL CONSERVATION | 2.0 | | 2.0 |
| MAINTENANCE-GENERAL | 9.0 | (0.3) | 8.7 | GRANTS & SPECIAL PROJECTS | 2.3 | | 2.3 |
| MAINTENANCE-JAIL BUILDING | 0.7 | | 0.7 | DEPT OF ECONOMIC DEVELOPMENT | 5.0 | (0.3) | 4.7 |
| MAINTENANCE-COURTHOUSE | 2.7 | | 2.7 | VISITORS BUREAU | 1.0 | | 1.0 |
| MAINTENANCE - COUNTY COMPLEX | 3.3 | | 3.3 | HIGHWAY FUND | 76.3 | | 76.3 |
| MAINTENANCE - OTHER BUILDINGS | 0.7 | | 0.7 | ALLEGANY COUNTY TRANSIT FUND | 14.5 | | 14.5 |
| INFORMATION TECHNOLOGY DIVISION | 2.3 | | 2.3 | OFFICE OF CHILDREN, YOUTH, AND FAMILIES | 6.0 | | 6.0 |
| SHERIFF'S DEPARTMENT | 26.0 | | 26.0 | HOUSING AND COMMUNITY DEVELOPMENT | 5.0 | 0.3 | 5.3 |
| FAMILY AGENCY NETWORK | 1.0 | | 1.0 | NARCOTICS TASK FORCE | 1.0 | | 1.0 |
| FIRE & RESCUE ORGANIZATIONS | 0.1 | | 0.1 | REVOLVING BUILDING FUND | 0.8 | 0.4 | 1.2 |
| DETENTION CENTER | 66.0 | 6.0 | 72.0 | SANITARY DISTRICTS | 22.5 | 1.0 | 23.5 |
| MAINTENANCE - DETENTION CENTER | 1.0 | 1.0 | 2.0 | NURSING HOME | 137.0 | 13.0 | 150.0 |
| ABOVE TABLE REPRESENTS FULL TIME EQUIVALENCIES (FTE) | | | | TOTAL | 542.1 | 13.9 | 556.0 |

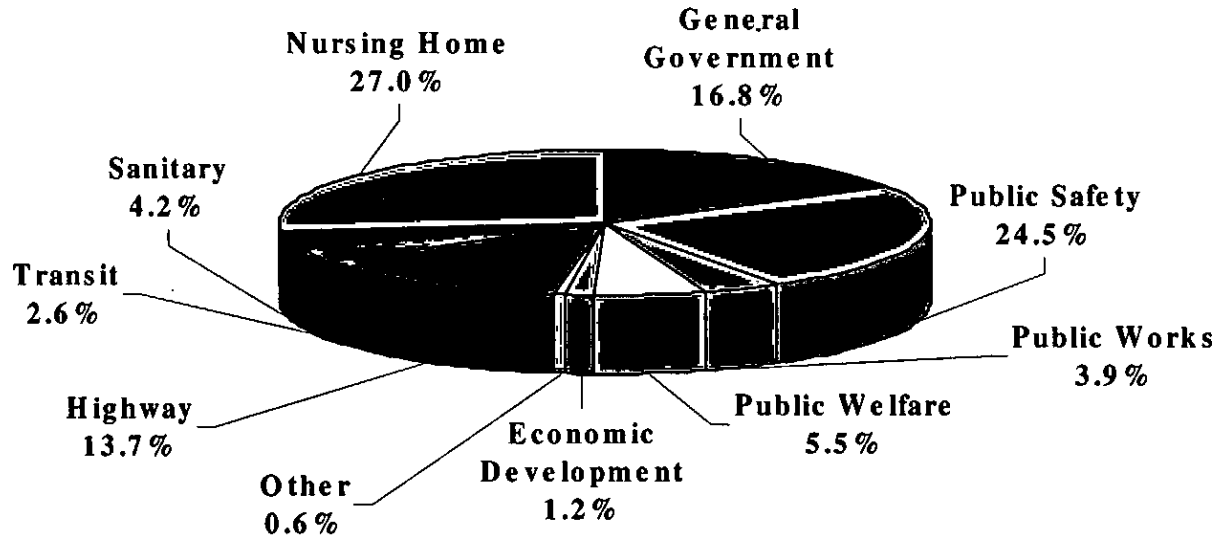
NOTE: SHORT TERM INTERNS ARE EXCLUDED FROM FTE COUNT

Allegany County Full Time Equivalent Positions



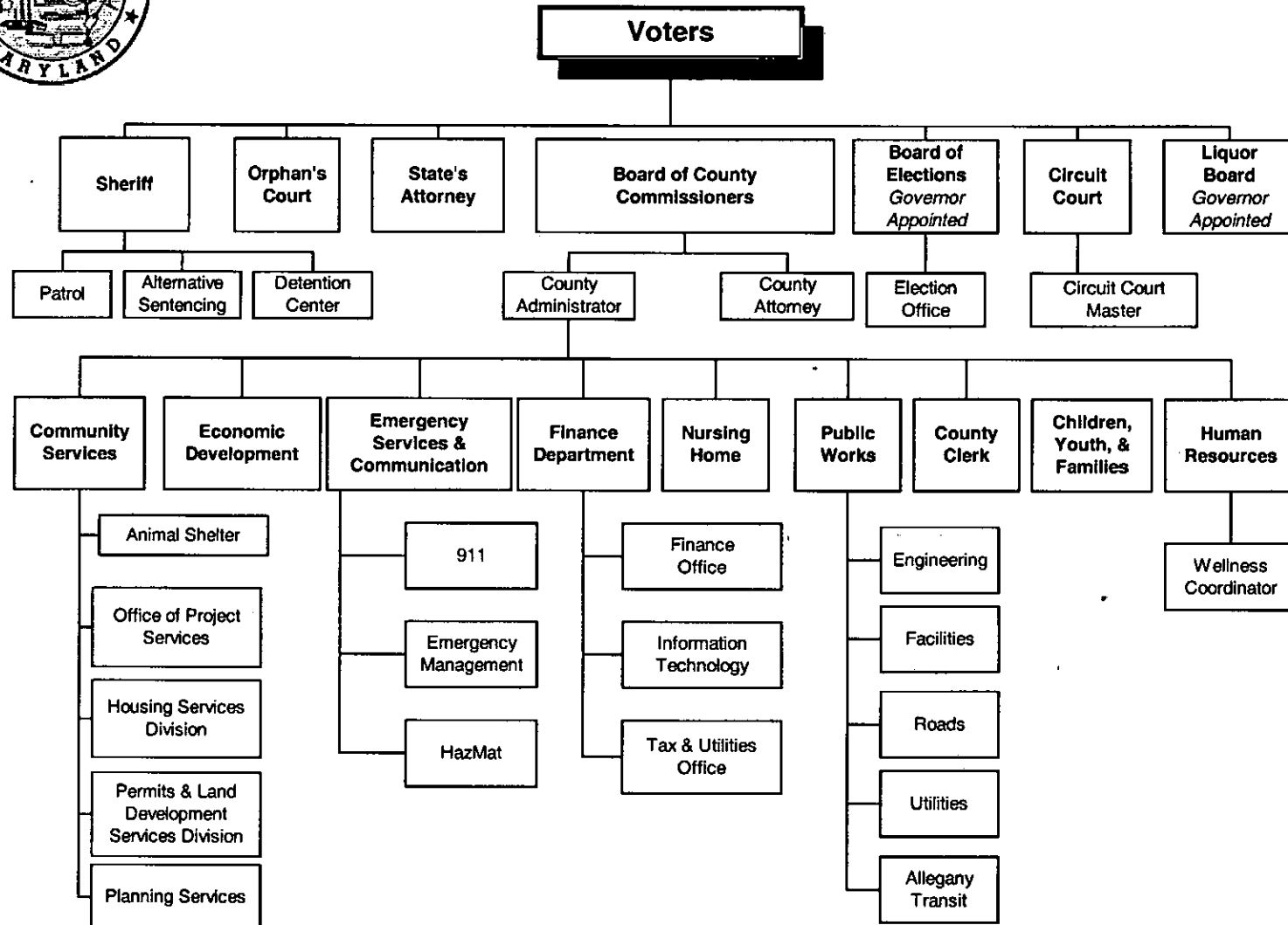
| | Fiscal Year 2002 | % | Fiscal Year 2003 | % | Change |
|-----------------------------------|---------------------|---------|---------------------|---------|--------|
| General Government | 100.9 | 18.6 % | 93.2 | 16.8 % | -7.7 |
| Public Safety | 129.0 | 23.8 % | 136.0 | 24.5 % | 7.0 |
| Public Works | 21.1 | 3.9 % | 21.6 | 3.9 % | 0.5 |
| Public Welfare | 30.2 | 5.6 % | 30.5 | 5.5 % | 0.3 |
| Economic Development | 6.8 | 1.3 % | 6.9 | 1.2 % | 0.1 |
| Other | 3.8 | 0.7 % | 3.5 | 0.6 % | -0.3 |
| Highway | 76.3 | 14.1 % | 76.3 | 13.7 % | 0.0 |
| Transit | 14.5 | 2.7 % | 14.5 | 2.6 % | 0.0 |
| Sanitary | 22.5 | 4.2 % | 23.5 | 4.2 % | 1.0 |
| Nursing Home | 137.0 | 25.3 % | 150.0 | 27.0 % | 13.0 |
| Grand Total Full Time Equivalents | 542.1 | 100.0 % | 556.0 | 100.0 % | 13.9 |

Full Time Equivalent Positions





Allegany County, Maryland Organizational Chart





Allegany County, Maryland

May 23, 2002

TAX LEVY AND DIFFERENTIAL

Real Property

The State Tax Rate has been fixed by the Board of Public Works of the State of Maryland at 8.4 cents (\$0.0840) per \$100 of assessable real property subject to such tax which added to the non-city tax rate of 98.38 cents (\$0.9838) makes a total of \$1.0678 on each \$100 of assessable non-city property subject to such tax.

Personal Property

The State Tax Rate has been fixed by the Board of Public Works of the State of Maryland at 0.0 cents (\$0.00) per \$100 of assessable personal property subject to such tax which added to the non-city tax rate of \$2.4595 dollars (\$2.4595) makes a total of \$2.4595 on each \$100 of assessable non-city property subject to such tax.

Public Utilities

The State Tax Rate has been fixed by the Board Of Public Works of the State of Maryland at 0.21 cents (\$0.2100) of assessed value of the property of public utilities subject to such tax which added to the non-city tax rate of \$2.4595 dollars (\$2.4595) makes a total of \$2.6695 on each \$100 of assessed value of property of public utilities non-city property subject to such tax.

In compliance with the provisions of Section 6-302 and 6-305 of the Tax Property Article of the Annotated Code of Maryland, the following tax rates will be levied in the municipalities in Allegany County:

| Real Property | | | | Personal Property & Public Utilities | | |
|---------------|-------------------------------|---------------------------------------------------|------------------|--------------------------------------|---------------------------------------------------|------------------|
| | Differential/ Set-Off Rate | Estimated Differential Tax Rebate Amount | Adjusted Levy | Differential/ Set-Off Rate | Estimated Differential Tax Rebate Amount | Adjusted Levy |
| Barton | \$0.0318 | | \$0.9520 | \$0.0795 | | \$2.3800 |
| Cumberland | | \$431,063* | \$0.9838 | | \$142,009* | \$2.4595 |
| Frostburg | \$0.0710 | | \$0.9128 | \$0.1775 | | \$2.2820 |
| Lonaconing | \$0.0494 | | \$0.9344 | \$0.1235 | | \$2.3360 |
| Luke | \$0.0539 | | \$0.9299 | \$0.1348 | | \$2.3247 |
| Midland | \$0.0318 | | \$0.9520 | \$0.0795 | | \$2.3800 |
| Westernport | \$0.0494 | | \$0.9344 | \$0.1235 | | \$2.3360 |

* This is equivalent to \$0.0788 set-off rate for real property and \$0.1970 on personal property

The Board of County Commissioners is, by authority of Section 10-301 of the Tax Property Article of the Annotated Code of Maryland, establishing a discount rate as follows: One percent (1%) shall be deducted from all tax bills for County purposes which are paid in a full annual payment during the months of July and August. No discount will be provided on such tax bills during the month of September nor will any discounts be allowed on any other payments. Interest at the rate of one and one-half percent (1 ½%) per month, or fractional part thereof, shall be charged from the first day of October on full-year property and after thirty (30) days on half-year new construction property as allowed by Section 14-603 and Section 14-604 of the Tax Property Article of the Annotated Code of Maryland. On owner occupied residential real property, interest of one and one-half percent (1 ½%) per month shall be charged from October 1st on coupon number one (1) and January 1st for coupon number two (2). Furthermore the rate of redemption is eighteen percent (18%) per annum as allowed by Section 14-820 of the Tax Property Article of the Annotated Code Of Maryland.

State Of Maryland


Allegany County, To-Wit:

Chapter 261 of the Acts of 1918 of the Public General Laws of Maryland, provided that no discount will be allowed on State taxes. Interest at the rate of one percent (1%) per month will be collected from October 1st.

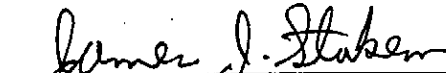
The Collector of Public Assessments of Allegany County, Maryland for the year July 1, 2002 through June 30, 2003 is hereby authorized and empowered to demand and receive from the non-city taxables of Allegany County the sum of \$1.0678 dollars (\$1.0678) on real property, the sum of \$2.4595 dollars (\$2.4595) on personal property, and the sum of \$2.6695 dollars (\$2.6695) on public utilities for One Hundred Dollars assessable non-city property subject to such tax, and the sums set forth herein for all assessable property located in each of the municipalities in said County and State, including State Tax rate as fixed by the Board of Public Works, agreeable to the Public General Laws of Maryland, in relation to collection of taxes on said assessments in Allegany County, Maryland.

Given under our hands and seal this 23rd day of May, 2002.

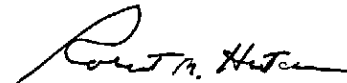
County Commissioners Of Allegany County Maryland



Dale R. Lewis, President




James J. Stakem, Commissioner

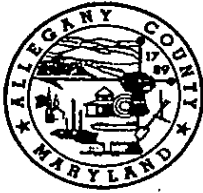


Robert M. Hutcheson, Commissioner

Attest:



Carol A. Gaffney, Clerk



**SUPPLEMENTAL LEVY
FOR
SPECIAL TAXING AREAS OF
ALLEGANY COUNTY, MARYLAND**

May 23, 2002

As provided by Statutes, the Collector of Public Assessments for Allegany County, Maryland, for the fiscal year 2002-2003, is hereby authorized and empowered to demand and receive from the taxpayers of the following Special Taxing Areas of Allegany County, Maryland, at the rates herein stated, on each one hundred dollars of assessable property located within said districts:

| <u>DISTRICT</u> | <u>Real</u> | <u>Personal & Public Utility</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------------------------------|
| THE ALLEGANY COUNTY SANITARY DISTRICT, INC. Section 658 of Title 9 of the Annotated Code of Maryland | | |
| BEDFORD ROAD SANITARY DISTRICT | 0.100 | 0.250 |
| BOWLING GREEN SANITARY DISTRICT | 0.148 | 0.370 |
| BRADDOCK RUN SANITARY DISTRICT | 0.004 | 0.010 |
| CRESAPTOWN SANITARY DISTRICT | 0.048 | 0.120 |
| JENNINGS RUN-WILLS CREEK SANITARY DISTRICT | 0.052 | 0.130 |
| CASH VALLEY ROAD SUBDISTRICT | 0.244 | 0.610 |
| MCCOOLE SANITARY DISTRICT | 0.140 | 0.350 |
| FLINTSTONE-GILPIN SANITARY DISTRICT | 0.200 | 0.500 |
| FRANKLIN-BROPHYTOWN SANITARY DISTRICT | 0.092 | 0.230 |
| OLDTOWN SANITARY DISTRICT | 0.096 | 0.240 |
| GEORGE'S CREEK SANITARY DISTRICT | 0.160 | 0.400 |
| MEXICO FARMS SANITARY DISTRICT | 0.184 | 0.460 |
| OLDTOWN ROAD SANITARY DISTRICT | 0.260 | 0.650 |
| BEDFORD ROAD VOLUNTEER FIRE COMPANY Senate Bill 261, made and passed at the 1971 Session of the General Assembly of Maryland | 0.040 | 0.100 |
| BEL AIR SPECIAL TAX AREA OF ALLEGANY COUNTY, MARYLAND House Bill 254, made and passed at the 1965 Session of the General Assembly of Maryland | 0.040 | 0.100 |
| BOWLING GREEN AND ROBERT'S PLACE SPECIAL TAXING AREA House Bill 711, made and passed at the 1972 Session of the General Assembly of Maryland | 0.040 | 0.100 |
| BOWLING GREEN VOLUNTEER FIRE COMPANY Chapter 34 of the Laws of Maryland passed by the General Assembly at its 1974 Session | 0.040 | 0.100 |
| CORRIGANVILLE LIGHT & IMPROVEMENT ASSOCIATION Code Home Rule Bill 4-92 passed 15th day of April 1992 by the Board of Allegany County Commissioners | 0.060 | 0.150 |

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|
| CRESAPTOWN AMBULANCE TAXING AREA Code Home Rule Bill 3-92 passed 15th day of April 1992 by the Board of Allegany County Commissioners | 0.028 | 0.070 |
| CRESAPTOWN CIVIC IMPROVEMENT ASSOCIATION Chapter 169 of the Acts of the General Assembly of Maryland in its 1949 Session | 0.032 | 0.080 |
| CRESAPTOWN SPECIAL FIRE TAX AREA Code Home Rule Bill 3-91 passed 3rd day of May 1991 by the Board of Allegany County Commissioners | 0.052 | 0.130 |
| ELLERSLIE SPECIAL TAX AREA OF ALLEGANY COUNTY Chapter 587 of the Laws of Maryland passed by the General Assembly of Maryland at its 1963 Session | 0.040 | 0.100 |
| LAVALE SANITARY COMMISSION OF ALLEGANY COUNTY Chapter 13 of the Acts of the Extraordinary Session of the General Assembly of Maryland, 1947 | 0.100 | 0.250 |
| LAVALE VOLUNTEER FIRE DEPARTMENT, INCORPORATED Chapter 850 of the Acts of the General Assembly of Maryland at its 1963 Session | 0.040 | 0.100 |
| LAVALE VOLUNTEER RESCUE SQUAD, INC. Senate Bill 890, made and passed at the 1972 Session of the General Assembly of Maryland | 0.020 | 0.050 |
| MCCOOLE SPECIAL TAX AREA Chapter 505 of the Acts of the General Assembly of Maryland at its 1965 Session | 0.040 | 0.100 |
| MOSCOW SPECIAL TAXING AREA Code Home Rule Bill 4-93 passed 21st day of April 1993 by the Board of Allegany County Commissioners | 0.120 | 0.300 |
| MOUNT SAVAGE SPECIAL TAXING AREA Chapter 99 of the Laws of Maryland passed by the General Assembly of Maryland at the 1950 Session | 0.040 | 0.100 |
| POTOMAC PARK CITIZENS COMMITTEE, INC. Chapter 843 of the Acts of the General Assembly of Maryland at its Regular Session of 1947 | 0.032 | 0.080 |
| RAWLINGS SPECIAL FIRE TAX AREA Code Home Rule Bill 3-91 passed 3rd day of May 1991 by the Board of Allegany County Commissioners | 0.060 | 0.150 |

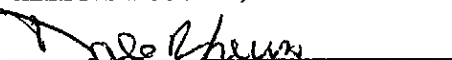
Said taxes are to be collected in accordance with the provisions of the Public General Laws of Maryland relating to collection of taxes on assessments in Allegany County, Maryland.


Given under our hands and seal this 23rd day of May, 2002.

ATTEST:

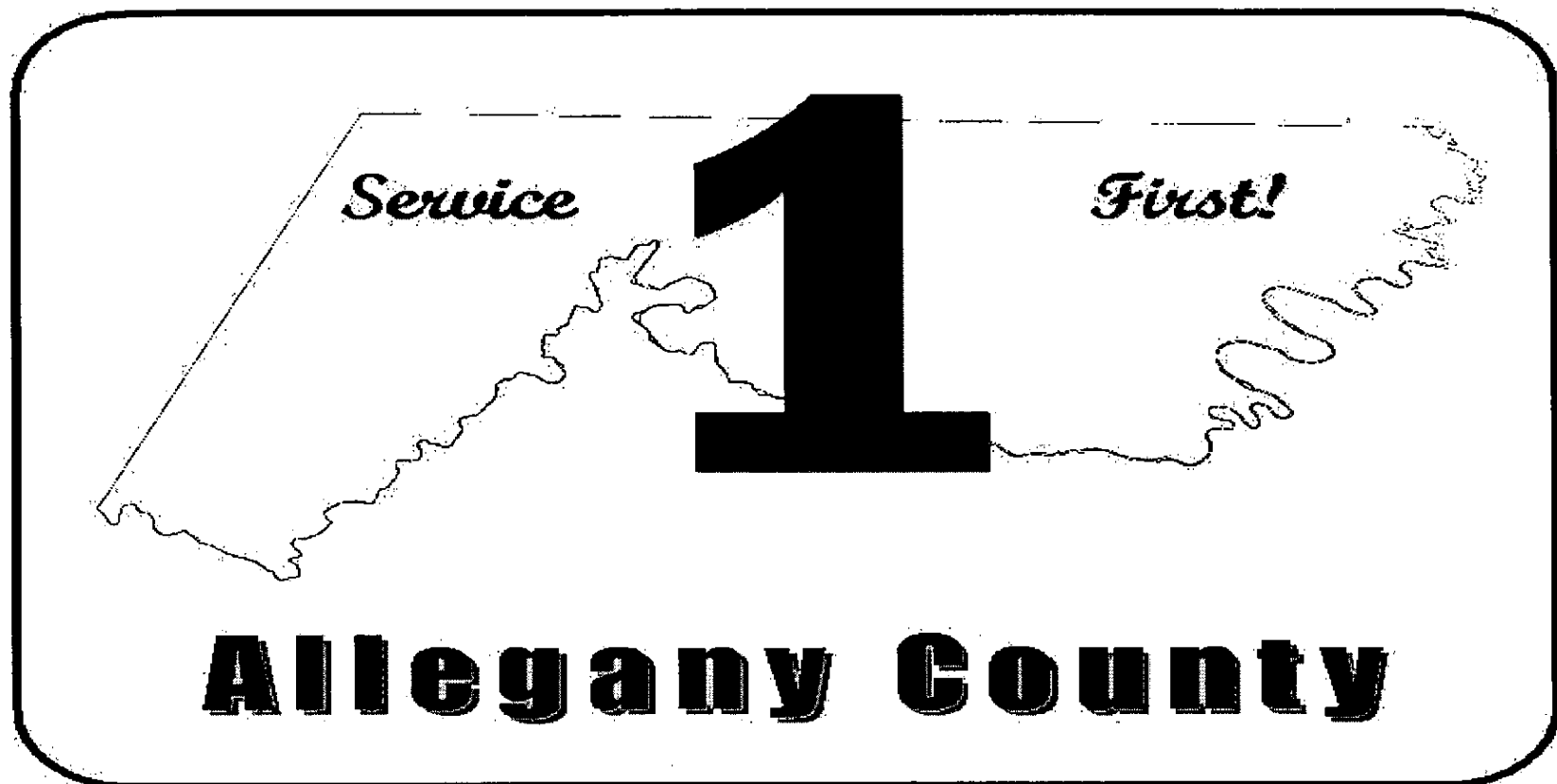

CAROL A. GAFFNEY, CLERK

COUNTY COMMISSIONERS OF
ALLEGANY COUNTY, MARYLAND


DALE R. LEWIS, PRESIDENT


JAMES J. STAKEM, COMMISSIONER


ROBERT M. HUTCHESON, COMMISSIONER



As part of the Finance Department's goal to be more responsive to the public and to lower the cost of government, this document along with other information is available on the internet at WWW.GOV.ALLCONET.ORG. Feel free to contact us or EMAIL us at FINANCE@ALLCONET.ORG.